

Message Text

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SUBJ: 57TH ECOSOC: AMBASSADOR SCALI'S ADDRESS BEFORE PLENARY

FOLLOWING IS THE TEXT OF AN ADDRESS BY AMBASSADOR JOHN
SCALI, U.S. REPRESENTATIVE TO THE ECONOMIC AND SOCIAL COUNCIL TODAY:

(BEGIN TEXT)

A YEAR AGO, ON THE OCCASION OF MY FIRST APPEARANCE BEFORE THIS
COUNCIL, I CALLED ATTENTION TO THE NEW OPPORTUNITIES WHICH
IMPROVED RELATIONS BETWEEN EAST AND WEST HAD CREATED FOR THE
UNITED NATIONS. I SAID THEN THAT THE UNITED NATIONS FACED THE
CHOICE OF EITHER SEIZING THESE OPPORTUNITIES, OR BECOMING AN
INCREASINGLY IRRELEVANT FACTOR IN SOLVING THE PROBLEMS OF THE
REAL WORLD.

OVER THE PAST WEEK I AM SURE YOU HAVE ALL SEEN AND READ OF
PRESIDENT NIXON'S SECOND HISTORIC VISIT TO THE SOVIET UNION.
IN HIS TALKS WITH GENERAL SECRETARY BREZHNEV, STEADY PROGRESS
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AREAS FOR AGREEMENT. ITSEEMS, THEREFORE, PARTICULARLY

APPROPRIATE TODAY THAT WE TAKE THIS OCCASION TO REVIEW THE RECORD OF THE UNITED NATIONS OVER THE PAST YEAR AND TO DETERMINE WHAT PROGRESS THIS ORGANIZATION HAS MADE TO COPE WITH A NEW INTERNATIONAL SITUATION WHICH IS BOTH MORE FLEXIBLE AND DANGEROUS.

PERHAPS THE SEVEREST TEST WHICH THE UNITED NATIONS HAS FACED IN RECENT YEARS CAME LAST OCTOBER, WITH THE RENEWED OUTBREAK OF FULL-SCALE HOSTILITIES IN THE MIDDLE EAST. WAR IN THE MIDDLE EAST PRESENTED A FRESH CHALLENGE TO THE UNITED NATIONS IN ITS PRIMARY ROLE OF WORLD PEACEMAKER AND PEACEKEEPER. THE OCTOBER WAR WAS ALSO THE FIRST SERIOUS TEST FOR DETENTE.

WE ALL HAVE REASON TO BE GRATEFUL THAT THE UNITED NATIONS PROVED EQUAL TO THIS CHALLENGE, AND THAT DETENTE PASSED THIS CRITICAL TEST. CERTAINLY THE MARGIN OF SUCCESS WAS NEITHER LARGE NOR COMFORTABLE. AS ONE WHO WAS DEEPLY INVOLVED, I CAN ASSURE YOU THAT THE DANGERS OF EXPANDED HOSTILITIES, AND OF A MAJOR EAST AND WEST CONFRONTATION WERE VERY REAL. RELATIONS BETWEEN EAST AND WEST WERE TESTED, EVEN STRAINED. I BELIEVE, HOWEVER, THAT THEY EMERGED STRENGTHENED AS A RESULT.

THE UNITED NATIONS' SUCCESS IN MEETING THE CHALLENGE OF LAST OCTOBER'S WAR DOES NOT MEAN THAT WE HAVE ACHIEVED THE SORT OF LASTING SETTLEMENT WHICH CAN BE THE ONLY REAL GUARANTEE OF PEACE IN THE MIDDLE EAST. WE ARE, HOWEVER, MAKING PROGRESS.

LAST OCTOBER'S BITTER FIGHTING SEEMS TO HAVE BROUGHT IN ITS WAKE A NEW SPIRIT OF GENUINE CONCILIATION AMONG THE PEOPLES OF THE MIDDLE EAST FOR THE FIRST TIME IN OVER A QUARTER CENTURY. THE UNITED NATIONS HAS PLAYED A KEY ROLE IN DIRECTING THIS NEW SPIRIT TOWARDS CONCRETE RESULTS. EACH STEP FORWARD -- THE DECLARATION OF A CEASEFIRE, THE ESTABLISHMENT OF THE UN EMERGENCY FORCE, THE DISENGAGEMENT OF ISRAELI AND EGYPTIAN FORCES, AND THEN OF SYRIAN AND ISRAELI FORCES -- HAS BEEN MADE WITH AND THROUGH THE UNITED NATIONS. AS THE SECRETARY GENERAL HAS SAID, BILATERAL AND MULTILATERAL DIPLOMACY MOVE FORWARD HAND IN HAND. IN THE MIDDLE EAST THIS COMBINATION HAS ACHIEVED MUCH MORE THAN EITHER COULD ALONE.

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THE WORLD TODAY MAY BE SIGNIFICANTLY MORE PEACEFUL THAN IT WAS A YEAR AGO. UNFORTUNATELY, IT IS NOT MORE PROSPEROUS. JUST THIS APRIL SECRETARY OF STATE KISSINGER TOLD THE SIXTH SPECIAL SESSION OF THE UN GENERAL ASSEMBLY THAT WE MUST WORK "NOT ONLY TO FREE THE WORLD FROM THE SCOURGE OF WAR, BUT TO FREE MANKIND FROM FEAR OF HUNGER, POVERTY, AND DISEASE." I CANNOT SAY THAT THE PAST YEAR HAS SEEN THE KIND OF SOLID

PROGRESS ON THE ECONOMIC FRONT THAT WE HAVE WITNESSED IN THE AREA OF UNITED NATIONS PEACEMAKING AND PEACEKEEPING. CERTAINLY THERE HAS BEEN MUCH DISCUSSION, SOME ACCOMPLISHMENT, BUT THE MOST DIFFICULT PART OF OUR WORK REMAINS BEFORE US.

THE WORLD ECONOMIC SITUATION HAS WORSENEDED DURING THE PAST YEAR BECAUSE OF ACCELERATED INFLATION, SHORTAGES AND FEARED SHORTAGES OF KEY COMMODITIES. WITH THESE CAME A MASSIVE SHIFT IN ESTABLISHED TRADE PATTERNS AND MONETARY FLOWS. ECONOMIC GROWTH HAS SLOWED DOWN IN MANY INDUSTRIALIZED NATIONS. SOME DEVELOPING COUNTRIES SUDDENLY HAVE BEEN IN A POSITION NOT ONLY TO WITHSTAND BUT PROFIT FROM THIS SITUATION. OTHERS, HOWEVER, FACE ECONOMIC COLLAPSE.

THE UNITED STATES HAS RESPONDED TO THE COMBINED ECONOMIC AND FINANCIAL PROBLEMS BY MONETARY AND FISCAL MEASURES TO RESTRICT INFLATION AND BY INCREASING OUR PRODUCTION OF KEY COMMODITIES, PARTICULARLY FOOD. WE ARE NOW CONSIDERING WHAT FURTHER STEPS WE SHOULD TAKE, IN COOPERATION WITH OTHERS, TO MEET THE EMERGENCY NEEDS OF THOSE NATIONS UNABLE TO WITHSTAND THE NEW PRESSURES THIS YEAR HAS BROUGHT.

MOST NATIONS OF THE WORLD FACE SOARING INFLATION, AND SIDING BALANCE OF PAYMENT DEFICITS. MOST NATIONS HAVE NOT YET, HOWEVER, EXPERIENCED SERIOUS DECREASES IN REAL PRODUCTION, OR IN STANDARDS OF LIVING. THERE IS, IN OTHER WORDS, NO WORLD DEPRESSION. HOWEVER, AN ORTHODOX RESPONSE TO THE PROBLEMS OF INFLATION AND BALANCE OF PAYMENT DEFICITS COULD LEAD TO JUST SUCH A DEPRESSION. IF EACH NATION SEEKS SELFISHLY TO LOOK OUT FOR ITS OWN INTERESTS WITHOUT REMEMBERING THE NEEDS OF ITS NEIGHBORS, WE CAN CREATE AN ECONOMIC CRISIS OF HURRICANE PROPORTIONS WHICH WILL MAKE US ALL BEGGARS.

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ONE OF THE PRIME MOVES BY THE UNITED STATES TO CONTROL INFLATION HAS BEEN TO EXPAND THE SUPPLY OF CRITICALLY NEEDED RAW MATERIALS. WE DID SO IN THE REALIZATION THAT INCREASED SUPPLY WOULD LOWER PRICES. THIS HAS IN FACT LED TO REDUCED PRICES FOR AMERICAN AGRICULTURAL PRODUCTS.

WE HOPE -- INDEED, WE URGE, THAT OTHERS JOIN US IN COMBATING INFLATION IN THIS WAY, BY MAKING INCREASED SUPPLIES AVAILABLE AT REASONABLE PRICES, RATHER THAN ADOPTING OR MAINTAINING A POLICY OF ARTIFICIAL SHORTAGES AND HIGHER PRICES.

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IN THE LONG RUN IT IS IN THE INTEREST OF BOTH PRODUCERS AND CONSUMERS TO AVOID A BOOM AND BUST MARKET. TO DO SO, WE MUST INSURE THAT THE WORLD RECEIVES ADEQUATE AND REGULAR SUPPLIES OF RAW MATERIALS AT STABLE AND FAIR PRICES. TO ASSURE SUPPLIES, AND TO MAINTAIN FAIR, STABLE PRICES, WE MUST FIRST LEARN TO BETTER PREDICT OUR FUTURE NEEDS, AND THE FUTURE AVAILABILITIES OF VARIOUS COMMODITIES. AS AN INITIAL STEP IN THIS PROCESS, SECRETARY KISSINGER PROPOSED TO THE SPECIAL SESSION OF THE GENERAL ASSEMBLY THAT AN INTERNATIONAL GROUP OF EXPERTS, WORKING CLOSELY WITH THE UNITED NATIONS DIVISION OF RESOURCES, IMMEDIATELY UNDERTAKE A COMPREHENSIVE SURVEY OF THE EARTH'S NON-RENEWABLE AND RENEWABLE RESOURCES. THE ASSEMBLY REFERRED THIS PROPOSAL TO THIS COUNCIL. I HOPE THAT WE WILL BE ABLE TO TAKE AFFIRMATIVE ACTION ON THIS MATTER DURING THIS CURRENT SESSION.

THE SIXTH SPECIAL SESSION OF THE GENERAL ASSEMBLY WAS CALLED IN RESPONSE TO THE ECONOMIC SITUATION WHICH I HAVE JUST OUTLINED. ALTHOUGH ITS SINGLE AGENDA ITEM SPECIFIED A CONCERN WITH RAW MATERIALS, THERE WAS LITTLE DISCUSSION, AND NO AGREEMENT AS TO WHETHER THE PRICE OF KEY RAW MATERIALS WAS TOO HIGH OR TOO LOW; WHETHER THE SUPPLY OF THESE RAW MATERIALS SHOULD BE EXPANDED, OR REDUCED. THERE WAS STARK RECOGNITION, HOWEVER, THAT SOME NATIONS WERE NOT IN A POSITION TO PAY SHARPLY HIGHER PRICES FOR FOOD, FUEL AND FERTILIZER BECAUSE OF THEIR ALREADY FRAGILE ECONOMIES.

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THE UNITED STATES DID NOT ACCEPT ALL OF THE RECOMMENDATIONS OF THE SPECIAL ASSEMBLY. WE DED, HOWEVER, MAKE CLEAR OUR WILLINGNESS TO JOIN WITH OTHERS IN MEETING THE EMERGENCY NEEDS OF THOSE COUNTRIES HARDESHIT BY THIS ECONOMIC CRISIS.

THE UNITED STATES IN THE WORLD'S GREATES PRODUCER AND EXPORTER OF FOOD. ANY NEW ACTION OUR GOVERNMENT TAKES IN THIS AREA, THEREFORE, HAS GLOBAL IMPACT. IN THE CIRCUMSTANCES WE COULD HAVE SOUGHT TO KEEP THE PRICE ARTIFICIALLY HIGH BY TAKING NO STEPS TO INCREASE SUPPLY. INSTEAD, THE UNITED STATES RECOGNIZED A HIGHER MORAL OBLIGATION TO INCREASES SUPPLIES, AND TO BRING PRICES DOWN TO A MORE REASONABLE LEVEL. AMERICA IS NOW SETTING A NEW RECORD YIELDS IN FOOD PRODUCTION. ALL RESTRAINTS ON PRODUCTION HAVE BEEN REMOVED BY OUR GOVERNMENT TO MEET THE FOOD CRISIS. WE RECOGNIZED THE NEED TO ADOPT EMERGENCY MEASURES TO INSURE THAT THE WORLD'S HUNGRY ARE FED.

WORLD FOOD PRODUCTION DEPENDS ON VARIABLES SUCH AS WIND AND RAIN, WHICH NO MAN CAN FULLY CONTROL. THEREFORE, THE WORLD COMMUNITY MUST BE PREPARED FOR GOOD YEARS AS WELL AS FOR BAD. ACCORDINGLY, THE UNITED STATES SUPPORTS THE PROPOSAL OF FAO SECRETARY GENERAL BOERMA FOR AN INTERNATIONAL SYSTEM OF NATIONAL STOCKPILES. WE ARE WILLING TO PARTICIPATE IN SUCH A YSTEM, AND TO REBUILD OUR OWN FOOD RESERVES, PROVIDED OTHERS ARE WILLING TO DO THE SAME.

WHILE FOOD PRICES ARE COMING DOWN, THE PRICE OF OTHER CRITICALLY IMPORTANT COMMODITIES IS NOT. THE UNITED STATES GOVERNMENT WILL RESPOND TO SECRETARY GENRAL WALDHEIM'S APPEAL FOR EMERGENCY ASSISTANCE TO THOSE COUNTRIES HARDEST HIT BY PRICES RISES OF KEY COMMODITIES. OUR AID WILL MOVE FORWARD IN BILATERAL AS WELL AS MULTILATERAL CHANNELS, RECOGNIZING THAT, AS MY JAPANESE COLLEAGUE SAID A FEW DAYS AGO, THE OBJECTIVE IS IMPORTANT, NOT THE MEANS OF DELIVERY.

THUS, AS THE PRESENT TIME, TOP OFFICIALS WITHIN OUR GOVERNMENT ARE BUSY AT WORK CREATING A NEW WORLD-WIDE FOOD POLICY WHICH WE HOPE TO ANNOUNCE WITHIN WEEKS. I AM ALSO HAPPY
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TO NOTE THAT THE U.S. HOUSE OF REPRESENTATIVES TOW DAYS AGO APPROVED A NEW ALLOCATION OF \$1.5 BILLION TO HELP REPLENISH THE INTERNATIONAL DEVELOPMENT ASSOCIATION. THE SENATE APPROVED A SIMILAR AMOUNT LAST MAY 29. WE CONFIDENTLY EXPECT THAT REMAINING LEGISLATIVE STEPS NECESSARY TO MAKE

THESE FUNDS AVAILABLE WILL BE COMPLETED SHORTLY.

FOOD PRODUCTION DEPENDS DIRECTLY ON PRODUCTION OF FERTILIZER WHICH, IN TURN, IS LINKED TO PETROLEUM PRODUCTION. THE NEW HIGH YIELD MIRACLE SEEDS SPECIFICALLY REQUIRE PETROLEUM-BASED FERTILIZER. SECRETARY KISSINGER EMPHASIZED HIS CONCERN ON APRIL 15 WHEN HE SAID, "FOR COUNTRIES LIVING NEAR THE MARGIN OF STARVATION, EVEN A SMALL REDUCTION IN YIELDS CAN PRODUCE INTOLERABLE CONSEQUENCES."

ONE PRINCIPAL TASK OF THE WORLD FOOD CONFERENCE NEXT NOVEMBER WILL BE TO EXAMINE THIS PROBLEM, AND TO RECOMMEND MEDIUM AND LONG-TERM MEASURES TO PREVENT FERTILIZER SHORTAGES IN THE FUTURE. WE RECOGNIZE, HOWEVER, THAT THE URGENCY OF THE CURRENT SHORTAGE ALSO REQUIRES SHORT-TERM ACTION, BEFORE NOVEMBER, WHEN THE WORLD FOOD CONFERENCE IS TO MEET. WE HAVE THEREFORE, ASKED CONGRESS TO INCREASE PRODUCTION, INCLUDING FERTILIZER ASSISTANCE.

AS PART OF THIS EXPANDED PROGRAM, THE UNITED STATES WILL BE PREPARED TO INCREASE ITS CONCESSIONAL FINANCING OF FERTILIZER PURCHASES IN APPROPRIATE CASES WHERE DEVELOPING COUNTRIES ARE ABLE TO FIND SUPPLIES, BUT ARE UNABLE TO PAY FOR THEM.

UNITED STATES FERTILIZER PLANTS ARE OPERATING NEAR CAPACITY, IN ORDER TO MEET THE EXTRAORDINARY DEMAND CREATED BY GREATLY INCREASED FOOD PRODUCTION IN THE UNITED STATES, AND ABROAD. ALTHOUGH THE UNITED STATES FERTILIZER INDUSTRY HAS TRADITIONALLY SERVED A PRIMARILY DOMESTIC MARKET, WE ARE FULLY AWARE OF THE URGENT NEED OF SOME DEVELOPING COUNTRIES FOR INCREASED SUPPLIES. THE UNITED STATES WILL RESPOND TO THE URGENT NEED OF DEVELOPING COUNTRIES FOR INCREASED SUPPLIES INsofar AS POSSIBLE.

AS PART OF OUR BILATERAL ASSISTANCE PROGRAMS, WE ARE OFFER-

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ING TECHNICAL ASSISTANCE TO DEVELOPING COUNTRIES WHERE FERTILIZER PLANTS ARE OPERATING BELOW CAPACITY. WE ARE READY TO PROVIDE TECHNICAL ASSISTANCE TO IMPROVE EFFICIENT USE OF FERTILIZER IN DEVELOPING COUNTRIES. WE ARE ALSO PREPARED TO CONTRIBUTE TO PLANNED RESEARCH INTO THE USE OF FERTILIZERS IN DEVELOPING COUNTRIES, PARTICULARLY FOR TROPICAL SOILS WHERE THERE MAY BE GREAT POTENTIAL FOR INCREASED FOOD PRODUCTION.

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NATIONS IN THE DROUGHT ZONE OF AFRICA ARE AMONG THOSE LEAST ABLE TO WITHSTAND RECENT ECONOMIC PRESSURES. THEIR ECONOMIES HAVE BEEN WEAKENED BY FAMINE, MASSIVE PRPULATION MOVEMENTS, AND RESULTING UNEMPLOYMENT. A YEAR AGO I CALLED THIS COUNCIL'S ATTENTION TO THE PLICHT OF THESE NATIONS. I PLEDGED THE UNITED STATES TO THEIR SUPPORT, AND I APPEALED TO TOHERS TO JOIN IN THE EFFORT.

THE UNITED STATES GOVERNMENT HAS DELIVERED ON ITS PLEDGE OF ASSISTANCE. I AM HAPPY TO SAY THAT OTHERS ALSO HAVE RESPONDED. THE UNITED STATES HAS DONATED \$129 MILLION IN FOOD AND OTHER ASSISTANCE TO THE SIX COUNTRIES OF THE SAHEL WHICH HAVE BEEN SUFFERING FROM THE DROUGHT FOR MORE THAN FIVE YEARS. NEARLY 18 MILLION DOLLARS IN EMERGENCY ASSIS-TANCE ALSO HAS BEEN MADE AVAILABLE TO ETHIOPIA, THE NEWEST VICTIM OF THE DROUGHT DISASTER. MORE THAN ONE-HALF BILLION TONS OF AMERICAN FOOD HAVE BEEN PROVIDED FOR DROUGHT VICTIMS. THE UNITED STATES AHAS ALSO ASSISTED IN SEEING THAT THIS FOOD REACHED THOSE IN NEED, BY PROFIDING AIRCRAFT, BY ASSISTING IN THE CONSTRUCTION OF RURAL ROADS, AND WITH OTHER FORMS OF TRANSPORTATION.

ONE PARTICULARLY ENCOURAGING ASPECT OF THE INTERNAITIONAL RESPONSE TO THE AFRICAN DROUGHT IS THE GROWING PUBLIC CONCERN IN MANY COUNTRIES FOR THE VICTIMS OF THIS TRAGEDY. I HAVE BEEN WORKING CLOSELY WITH PRIVATE AMERICAN CITIZENS

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WHO ARE GIVING GENEROUSLY OF THEIR TIME AND THEIR SKILLS TO PROVIDE ASSISTANCE TO THOSE IN NEED. THEY ARE ALSO WORKING IMAGINATIVELY TO RAISE THE LEVEL OF THE WORLD'S PUBLIC AWARENESS ABOUT THE TRUE DIMENSIONS OF A CRISIS WHICH THREATENS 25 MILLION PEOPLE WITH STARVATION.

BOTH THE EXTENT AND THE DURATION OF THIS TRAGIC FROUGHT SEEM TO BE GROWING. ONE BEGINS TO WONDER WHETHER WE ARE SEEING MORE THAN A MERE CYCLICAL FLUCTUATION IN WEATHER PATTERNS. ARE WE IN FACT WITNESSING A MAJOR CLIMATIC CHANGE, ONE WHICH COULD LEAVE MUCH OF THE CONTINENT OF AFRICA UNINHABITABLE? IN APRIL, SECRETARY KISSINGER RECOMMENDED THAT THE WORLD METEOROLOGICAL ORGANIZATION URGENTLY INVESTIGATE THIS PROBLEM. I AM HAPPY TO NOTE THAT THIS ORGANIZATION HAS BEGUN TO DO SO.

A YEAR AGO I EXPRESSED THE HOPE THAT THE UNITED NATIONS SYSTEM COULD BETTER COORDINATE ITS EFFORTS IN ALL FIELDS. I NOTED THAT 90 PERCENT OF THE UN'S VERY SUBSTANTIAL RESOURCES ARE DEVOTED TO THE ECONOMIC AND SOCIAL AREA AND THAT, THEREFORE, THIS COUNCIL HAD PRIMARY RESPONSIBILITY TO SEE THAT THIS MONEY IS WELL SPENT.

UNFORTUNATELY, WE HAVE CONTINUED TO SEE EVIDENCE OF THAT RECURRENT TENDENCY TO SUBSTITUTE NEW BUREAUCRACIES FOR NEW IDEAS. WE CONTINUE TO WASTE ENERGY, TIME, AND TALENT IN THE CREATION OF NEW INSTITUTIONS, WHEN WHAT IS NEEDED IS MORE EFFECTIVE, UNITED ACTION FROM THE OLD ONES. I MUST REGISTER MY GOVERNMENT'S AGREEMENT WITH THE STATEMENTS OF DIRECTORS GENERAL OF UNESCO AND THE FAO, MESSRS. MAHEU AND BOERMA, THAT THE U.N. SYSTEM NEEDS NO NEW INSTITUTIONS, BUT MORE EFFECTIVE MANAGEMENT OF THE PRESENT ONES. AN EXAMPLE OF THIS NEEDLESS URGE TO PROLIFERATE IS THE RECOMMENDATION OF THE RECENT SPECIAL GENERAL ASSEMBLY SESSION ON THE ESTABLISHMENT OF YET ANOTHER DEVELOPMENT FUND. THAT ASSEMBLY COULD, IN MY OPINION, HAVE BETTER SPENT ITS TIME AND EFFORTS IN SEEING THAT MORE MONEY WAS MADE AVAILABLE THROUGH EXISTING CHANNELS.

IN THE COMING MONTHS A THOROUGH REVIEW OF THE ENTIRE UNITED NATIONS SYSTEM WILL BE UNDERTAKEN, IN PREPARATION FOR THE

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SPECIAL GENERAL ASSEMBLY SESSION IN 1975. THIS REVIEW, IF IT IS TO SERVE ANY REAL PURPOSE, MUST BE A WIDE OPEN LOOK ONE WHICH DOES NOT EXCLUDE THE NEED FOR RADICAL SURGERY.

INDEED, SUCH A PENETRATING EVALUATION IS OVERDUE, ONE WHICH

WILL NOT HESITATE TO RECOMMEND, FOR EXAMPLE, WHICH U.N. AGENCIES HAVE OUTLIVED THEIR USEFULNESS OR HAVE FAILED TO MEASURE UP TO THEIR ASSIGNED TASKS. WE SHOULD ALSO BE BOLD WHICH AGENCIES CAN BEST BE CUT BACK, AND WHICH EXPANDED. INEVITABLY, EVERY EXISTING AGENCY WITHIN THE SYSTEM BELIEVES THAT IT DOES NOT REEUQIRE RADICAL REFORM, AND THAT THE SURGERY SHOULD BE PERFORMED ELSEWHERE.

IN ORDER TO REALIGN EXISTING UN INSTITUTIONS TO PRODUCE BETTERRESULTS, THE UNITED NATIONS ITSELF MUST IMPROVE ITS CAPABILITY TO EVALUATE THE FULL RANGE OF PEXORMANCE BY ALL. IT MUST BUILD INFORMATION SSTEMS WHICH WILL ALLOW THE SECRETARY GENERAL, HSI TOP ADVISERS, AND MEMBER GOVERNMENTS TO KNOW EXACTLY WHAT THE UNITED NATIONS IS IN FACT DOING. ONLY WITH THESE KINDS OF EVALUATION AND INFORMATION TOOLS CAN WE POINPOINT THOSE AGENCIES WHICH ARE DELIVERING WITNH A MINIMUM OVERHEAD, AND THOSE WHICH ARE BURDENED WITH AN EXCESSIVE SUPER-STRUCTURE OF BUREAUCRACY. LEADING REPRESENTA-TIVES OF UNITED NATIONS AGENCIES SHOULD BE MORE DIRECTLY INVOLVED IN THE DEBATE, AND IN THE RESOLUTIONZ OF KEY ISSUES IN UN FORUMS. AS MY COLLEAGUE, AMBASSADOR RICHARD, OF THE UNITED KINGDOM, SAID A FEW DAYS AGO, THE SPECIALIZED AGENCIES SHOULD PARTICIAPTE EARLIER AND MORE ACTIVELY IN THE FORMULATION OF UNITED NATIONS POLICY, IN ORDER TO BE IN A BETTER PSOTIION TO IMPLEMENT IT.

ANOTHER EXAMPLE OF THE SORT OF PROPOSALS WHICH LEAD TO THE UNNECESSARY PROLIFERATION OF INSTITUTIONS ARE THOSE RESULTING FROM THE RECENT REPORT OF THE GROUP OF EMINENT PERSONS ON THE ROLE OF MULTINATIONAL CORPORATIONS. THE UNITED STATES HAS NO OBJECTION TO CONTINUED CONSIDERATION OF THIS SUBJECT WITHIN THE UNITED NATIONS. WE BELIEVE THAT BOTH GOVERNMENTS AND MULTINATIONAL CORPORATIONS CAN PROFIT FROM A CLOSER EXAMINATION OF THEIR RESPECTIVE RIGHTS ANDDDUTIES WE ALSO BELIEVE, HOWEVER, THAT THIS PROCES SHOULD BE STAFFED FROM WITHIN THE UNITED NATIONS SECRETARIAT.

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THE REPORT OF THE GROUP OF EMINENT PERSONS ON THE ROLE OF MULTINATIONAL CORPORAIONS WAS IN SOME RESPECTS DISAPPOINTING. THERE SEEMED TO BE GREAT EMPHASIS ON THE NEED OF NATIONAL

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GOVERNMENTS FOR ASSISTANCE IN DEALING WITH MULTINATIONALS, BUT LITTLE CONSIDERATION OF THE POSSIBILITY THAT MULTINATIONALS MIGHT NEED HELP IN DEALING WITH GOVERNMENTS. THERE WAS MUCH DISCUSSION OF THE DUTIES OF MULTINATIONAL CORPORATIONS TOWARDS THEIR HOST GOVERNMENTS. TOO LITTLE ATTENTION, HOWEVER, WAS PAID TO THE RECIPROCAL OBLIGATIONS OF STATES WHICH ACCEPT FOREIGN INVESTMENTS.

OVER THE PAST SEVERAL MONTHS THE UNITED NATIONS HAS INCREASINGLY CONCENTRATED ITS ATTENTIONS ON THE CONCERNS AND NEEDS OF DEVELOPING NATIONS. THIS TREND WAS HIGHLIGHTED BY THE 6TH SPECIAL GENERAL ASSEMBLY SESSION LAST APRIL. THE EMPHASIS ON DEVELOPMENT WILL CONTINUE THROUGH THIS SUMMER'S ECONOMIC AND SOCIAL COUNCIL MEETING, AND CULMINATE IN ANOTHER SPECIAL SESSION OF THE GENERAL ASSEMBLY, IN 1975.

I HOPE THAT, AS WE PROCEED DOWN THIS ROAD, WE WILL NOT LOSE SIGHT OF THE REALITY WHICH SURROUNDS US. STREAMLINING THE STRUCTURE, AND REVISING THE PRIORITIES OF THE UNITED NATIONS WILL AT BEST HAVE A MARGINAL EFFECT ON GLOBAL DEVELOPMENT. THE KEY DECISIONS WILL CONTINUE TO BE NATIONAL ONES.

TODAY THE CRUCIAL QUESTION FACING THE WORLD COMMUNITY IS NOT WHAT CHANNEL WILL BE USED TO ASSIST NATIONS FACING

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IMMINENT ECONOMIC COLLAPSE BUT, RATHER, WHETHER SUFFICIENT

ASSISTANCE WILL BE FORTHCOMING AT ALL, THROUGH ANY CHANNEL.

THOSE WHO ARE BLESSED WITH THE CAPACITY TO HELP HAVE A MORAL OBLIGATION DO DO SO. THE WORLD IS WAITING, AND IT IS WATCHING. IN THE END WE WILL BE JUDGED NOT BY WHAT WE SAY HERE BUT BY WHAT WE ACTUALLY DO TO PROVIDE EMERGENCY ASSISTANCE TO THOSE WHO NEED IT MOST.

MY DELEGATION WAS DEEPLY DISTURBED BY THE GLOOMY REPORT MADE EARLIER THIS WEEK BY THE REPRESENTATIVE OF THE WORLD BANK, MR MICHAEL HOFFMAN. LOOKING INTO THE NEAR FUTURE, THE BANK FORESEES CONTINUING MASSIVE INFLATION, WITH THE PRICE OF GOODS AND SERVICES SOARING 75 PERCENT HIGHER THAN IT HAD EARLIER PROJECTED BY 1978. EVEN MORE DEPRESSING, THE BANK FORESEES, BECAUSE OF THESE SKYROCKETING PRICES, THAT THERE WILL BE NO INCREASE IN THE LIVING STANDARDS OF MOST OF THE WORLD'S DEVELOPING NATIONS IN THIS DECADE.

THIS ANALYSIS BY THE BANK PROJECTS A STAGGERING LOSS OF SCARCE FOREIGN EXCHANGE BY THOSE COUNTRIES LEAST ABLE TO AFFORD IT, IN ORDER TO PAY THE NEW HIGHER PRICES FOR BASIC COMMODITIES. BETWEEN 80 AND 90 PERCENT OF THIS EXTRA COST IS DUE, ACCORDING TO THE BANK, TO THE INCREASE IN PETROLEUM PRICES.

THE FIGURES CITED BY THIS REPORT MAKE IT CLEAR THAT WE MAY BE USING A TEASPOON TO SCOOP UP THE OCEAN, IF WE EXPECT THE UN SYSTEM TO COPE WITH THE FINANCIAL EMERGENCY WHICH FACES THE WORLD.

TO BETTER UNDERSTAND THIS HORRENDOUS PROBLEM, I BELIEVE THIS COUNCIL WOULD BENEFIT FROM FURTHER INFORMATION FROM THE BANK'S EXPERTS AS TO WHERE THE MASSIVE SHIFT OF MONEY IN THE WORLD TODAY IS GOING.

IS IT TRUE, FOR EXAMPLE, THAT OIL-PRODUCING COUNTRIES, IF THE PRESENT PRICE STRUCTURE REMAINS UNCHANGED, WILL HAVE ACCUMULATED ABOUT 60 BILLION DOLLARS BY THE END OF 1974 AND UP TO 140 BILLION DOLLARS BY THE END OF 1975, WITH AN EVEN MORE STAGGERING INCREASE BY 1976? THE ANSWER, I

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SUBMIT, IS OF CRITICAL IMPORTANCE TO OUR DELIVERATIONS AND PLANNING. I WOULD ASK, THEREFORE, IF IT WOULD BE POSSIBLE TO HAVE EITHER THE BANK OR THE INTERNATIONAL MONETARY FUND PROVIDE US WITH THIS DATA.

MR. CHAIRMAN, WE MUST BASE OUR ACTIONS ON A CLEAR PERCEPTION OF THE NATURE OF OUR DILEMMA. EXTRAORDINARY MEASURES TO RESTORE FINANCIAL ORDER ARE NEEDED IN OUR

INTERDEPENDENT WORLD. IF WE FAIL TO COOPERATE IN A SPIRIT OF COMPASSION AND GENEROSITY, THERE MAY BE A SORLD-WIDE RECESSION OR WORSE AT THE END OF THE ROAD.

I HAVE POINTED OUT WHAT MY GOVERNMENT IS DOING -- AND IS PREPARED TO DO TO HELP ASSURE ECONOMIC SURVIVAL FOR ALL. FOOD AID MUST BE EXPANDED. FOOD RESERVES AGAINST DAYS OF DISASTER MUST BE BUILT. FERTILIZER SUPPLY BOTTLENECKS MUST BE BROKEN. FINALLY, GLOBAL FOOD PRODUCTION MUST BE INCREASE BY QUANTUM LEAPS. TO THESE ENDS, OFFICIALS ON THE HIGHEST LEVELS OF MY GOVERNMENT ARE AT THIS VERY MOMENT SHAPING A FOOD ASSISTANCE POLICY OF GLOBAL DIMENSIONS, TO BE ANNOUNCED WITHIN WEEKS. MY GOVERNMENT RECOGNIZES THAT, FOR THOSE IN NEED, FOD IS MORE VALUABLE THAN MONEY. FURTHER, MY GOVERNMENT IS FIRMLY CONVENCED THAT ONLY A GLOBAL FOOD POLICY STANDS ACHANCE OF SUCCEEDING IN THIS INCREASINGLY INTERDEPENDENT WORLD.

FINALLY, AND MOST IMPORTANTLY, WE BELIEVE THAT THE NEWLY WEALTHY NATIONS MUST LIFT THEIR SIGHTS AND ACT TO HELP THE LESS FORTUNATE BEFORE THE ECONOMIC PLIGHT OF ALL WORSENS DANGEROUSLY. A NUMBER OF THESE NATIONS HAVE ALREADY MADE SOME SPECIAL FINANCIAL ARRANGEMENTS TO HELP THOSE IN NEED. WE APPLAUD THESE STEPS. BUT THE ENORMITY OF THE PROBLEM, AND THE SPEED WITH WHICH EVENTS ARE MOVING, URGENTLY DEMAND FAR MORE ACTION.

THE UNITED STATES CALLS ON ALL OTHERS TO JOIN US IN THE BATTLE TO FREE MANKIND FROM FEAR OF HUNGER, POVERTY AND DISEASE. TOGETHER WE WILL OVERCOME. DIVIDED, WE WILL ALL LOSE. ONE-HALF OF THE WORLD'S POPULATION CANNOT SURVIVE IN PEACE AND PROSPERITY WHILE THE OTHER HALF STARVES. I CAN THINK OF NO MORE APPROPRIATE CLOSING THAN THE FAMILIAR

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BUT STILL MOVING WORDS OF JOHN DONNE:

"SEND NOT TO FIND FOR SHOM

THE BELLS TOLL,

FOR THEY TOLL FOR THEE. ."

(END TEXT)

DALE

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